

THE INSTITUTE

VOLUME 6 □ NUMBER 8
August 1982

News Supplement to IEEE Spectrum

Industry, Federal leaders discuss information controls



Washington, D.C.—Government defense and intelligence representatives told industry leaders that technology transfer should be viewed as a counterintelligence problem rather than as a trade problem. Speaking at a June 2 roundtable sponsored by *Spectrum* in Washington, D.C., are Jan Herring, chief of the Technology Transfer Assessment Center (left), and Central Intelligence Agency Executive Director John McMahon (right). Mr. McMahon recommended that computer manufacturers not worry as much about restrictions on exporting outdated technology as about Soviet thefts of current developments, such as plated-disk memories.

Erich Bloch, vice president of IBM, suggested that Government should place more reliance on industry's own desire to protect its secrets, rather than on regulation of sales. This view was supported by Edward David, president of Exxon Research and Engineering, and by Henry Bachman, vice president of Hazeltine Corp., who suggested that industry could do a better job of safeguarding information if intelligence representatives would explain what it was the Soviets were trying to steal and how to thwart them.

Both industry and Government representatives agreed that the current system of export controls on technical information [see the special reports on technology transfer in *Spectrum*, May, p. 64] is both inadequate to protect information that needs protecting and hopelessly complex when it comes to allowing nonsensitive information to be exported.

By the end of the meeting, a consensus was reached that the Government needs industry to set priorities for different kinds of information to be protected and to see to it that the mechanisms of protection do not strangle innovation and economic growth. It was also agreed that industry could use the Government's help in learning how to protect proprietary information from intelligence efforts.

Among those from industry participating in the roundtable were: Grant Dove, senior vice president, Texas Instruments Inc.; Fred Garry, vice president, General Electric Co.; William Howard, vice president, Motorola Inc.; Gordon Moore, chairman, Intel Corp.; and Robert Schmidt, vice chairman, Control Data Corp.

Representing Government in addition to the two CIA officials were: George A. Keyworth, presidential science advisor, who assisted *Spectrum* in planning the meeting; Gus Weiss, National Security Council Staff; Stephen Bryen, deputy assistant secretary of defense for international trade and security policy; Michael Lorenzo, deputy assistant secretary of defense for defense research and engineering; Steven Garfinkel, director of the information security oversight office, GSA; Ernest Johnston, senior deputy assistant director for economic and business affairs at the State Department; Bohdan Denysyk, deputy under secretary of commerce for export administration; Joseph Smaldone, chief of the arms-licensing division in the munitions control office of the State Department; and Donald Langenberg, deputy director, National Science Foundation. A detailed report of the meeting will appear in the September issue of *Spectrum*.